No. 10314.

IN THE

United States Circuit Court of Appeals

FOR THE NINTH CIRCUIT

AL PIANTADOSI,

Appellant,

vs.

LOEW'S INCORPORATED, a corporation,

Appellee.

APPELLEE'S REPLY BRIEF.

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APPELLEE'S REPLY BRIEF.

Statement.

The answer of appellee Loew's Incorporated alleged [Tr. pp. 11 and 12] and, as will presently appear, the uncontradicted evidence supplied by affidavits and exhibits on the motion for summary judgment proved, that appellee's use of the song "THAT'S HOW I NEED YOU" in a motion picture was duly licensed by Leo Feist, Inc., the legal co-owner of the copyright. Any other issues claimed by appellant to have been present thereupon became immaterial since if appellee was duly licensed to use the song there could be no copyright infringement as alleged in the complaint and the trial of the suit would have been what appellant terms "a useless form."

ARGUMENT.

1. Appellee Used the Song Under a License From the Copyright Co-owner, Leo Feist, Inc.

The song "THAT'S HOW I NEED YOU" was used by appellee Loew's Incorporated in a motion picture produced by that company. The picture was first called "The Waterfront" and later entitled "Barnacle Bill." [Tr. p. 54.] This use was licensed by Leo Feist, Inc., as will appear from the correspondence between Leo Feist, Inc., and Loew's Incorporated as embraced in Exhibits E to I, inclusive. [Tr. pp. 60 to 64, incl.] Abe Olman, named in the correspondence, was secretary and general manager of Leo Feist, Inc. [Tr. p. 51]; Paul Vrablic, who signed one of the letters, was the accountant of Leo Feist, Inc. [Tr. p. 55], and Fred Raphael was an employee of Loew's Incorporated. [Tr. p. 55.] The authenticity of all of the signatures to the correspondence was proved by the affidavit of Abe Olman. [Tr. p. 55.]

There is no contradiction of the foregoing evidence in the record, nothing but the bare, unsupported denial by appellant in his affidavit in opposition to the motion for summary judgment. He says [Tr. p. 68]:

> "That I deny that Leo Feist, Inc., have at any time licensed to defendant Loew's Incorporated the said musical composition That's How I Need You, or the right to use the same or any part thereof; or of any of my rights in the same or any part thereof."

Bare denials are insufficient to raise a genuine issue.

O'Meara Co. v. Nat. Park Bank, 239 N. Y. 386, 146 N. E. 636, 638;

Rosenthal v. Halsband, 51 R. I. 119, 152 Atl. 320, 321-2.

In the former case the New York Court of Appeals said:

> "Defendant's affidavits used in opposition to the motion [for summary judgment] merely repeat the various denials contained in the answer. These denials were insufficient to raise an issue on a motion for summary judgment, since, under the rule, facts must be presented rather than mere general or specific denials in order to defeat a motion."

Subdivision (e) of Rule 56 of Rules of Civil Procedure for the District Courts of the United States, under which the application for summary judgment herein was made, directs as follows:

> "Supporting and opposing affidavits shall be made on personal knowledge, shall set forth such facts as would be admissible in evidence, and shall show affirmatively that the affiant is competent to testify to the matters stated therein."

In addition to the bare denial in his affidavit appellant advances under his Point B (Brief pp. 5 and 6) the claim that the license was "predated and *possibly* fabricated." (Emphasis ours.) No facts are given to support this statement; the section of appellant's brief under "Point B" offers nothing but speculation, hearsay as to appellee and argument.

Since no facts were presented by appellant on his personal knowledge or such as would be admissible in evidence, appellee's evidence [Tr. pp. 60 to 64, incl.] remains unassailed and the license from Leo Feist, Inc., to appellee for the use of the song "THAT'S HOW I NEED YOU," is proved.

We shall pass now to the evidence which shows without contradiction that at the time the license was given, Leo Feist, Inc., had become at least a co-owner of the copyright in "THAT'S HOW I NEED YOU" and was legally entitled to license appellee to use the copyrighted work without subjecting the latter to any liability to appellant who did not participate in the licensing.

2. After the Copyright Renewal Two of the Co-owners Assigned Their Rights to Leo Feist, Inc., and the Latter Became a Co-owner.

The renewal of the copyright in the song "THAT'S HOW I NEED YOU" occurred on May 22, 1939, as appears from Exhibit B attached to the affidavit of Abe Olman. [Tr. p. 57.][1]

Joe McCarthy and Joe Goodwin were co-authors and co-owners of the copyright in the song. [Tr. p. 57, Exhibits A and B; Tr. p. 82; App. Br. p. 7.] On November 25, 1939, McCarthy and Goodwin, each by a separate instrument, assigned all of their rights in the song to Leo Feist, Inc. [Tr. pp. 57 to 59, Incl., being Exhibits C and D.] Thereupon, Leo Feist, Inc., became either sole owner of the copyright or a co-owner with appellant if the latter had any interest in the copyright. In either event Leo Feist, Inc., was legally entitled to license the use of the copyrighted work. Authorities governing this matter will be listed presently.

Appellant claims that the McCarthy and Goodwin assignments were made before the renewal of the copyright.

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[1]It should be noted in passing, that in the body of Abe Olman's affidavit [Tr. pp. 51 to 55, incl.] the title of the song involved in this matter is erroneously given as "That's *Why* I Need You."

(App. Br. pp. 4 and 8.) No competent evidence was offered to support this claim and the only basis for it is a conjecture based on conversations and letters which are hearsay as to appellee. [Tr. pp. 67, 87 and 88.] Furthermore, appellant's attempt to show a conflict between McCarthy's hearsay letter [Tr. p. 87] and his affidavit [Tr. p. 77] fails to accomplish its purpose. The letter says: "I re-signed my copyright with Feist about five years ago." The letter is dated March 23, 1942. On September 18, *1936,* McCarthy assigned his interest in the copyright to Leo Feist, Inc.[2] September, 1936, being about five and a half years before March, 1942, it is obvious that McCarthy was referring in his letter to the 1936 assignment and not to the 1939 assignment. There is therefore no conflict between this letter and the affidavit in which McCarthy says [Tr. p. 77] that on November 25, 1939, he executed and delivered to Leo Feist, Inc., an assignment of his rights.

It thus appears that by reason of the assignments dated November 25, 1939, made to Leo Feist, Inc., after the copyright renewal, the latter became a co-owner of the copyright in the song.

Copyright Act, Sec. 42;

Southern Music Pub. Co. v. Bibo-Lang, 10 F. Supp. 972, 974;

Marks Music Corp. v. Vogel Music Co., 42 F. Supp. 859, 867-8.

The rule is uniform in this country that one of several co-owners of a copyright may license a third party to use

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[2]We shall refer again to this assignment later in this brief.

the copyrighted work, without subjecting such third party to any liability to the non-licensing co-owners.

Klein v. Beach, 232 Fed. 240, aff'd 239 Fed. 108;
Nillson v. Lawrence, 133 N. Y. S. 293, 294-5;
Herbert v. Fields, 152 N. Y. S. 487, 489-90;
Carter v. Bailey, 64 Me. 453;
Weil on Copyright, p. 547;
Amdur, Copyright Law and Practice, pp. 834, 5.

3. Even if the Assignments Were Made Prior to the Copyright Renewal the Assignee Was Nevertheless Entitled to the Renewal Rights if and When Obtained.

As has been shown the copyright was renewed on May 22, 1939; McCarthy and Goodwin made assignments to Leo Feist, Inc., on November 25, 1939, and appellant claims that these assignments were in fact made before the renewal date. Assuming that the truth of appellant's claim has been established (which, of course, we deny) the assignments were, nevertheless, perfectly valid and vested in Leo Feist, Inc., all of the interest of his assignors in the copyright and in the copyright renewal to be obtained thereafter. This principle has been announced in *M. Witmark & Sons v. Fred Fisher Music Co.,* 125 F. (2d) 949. The decision affirms the decision of District Judge Conger reported in 38 F. Supp. 72. Judge Conger's decision followed a very strong *dictum* by the Circuit Court of Appeals, Second Circuit, in the case of *Tobani et al. v. Carl Fischer, Inc.,* 98 F. (2d) 57. Concerning these cases the *Witmark* opinion by the Circuit Court of Appeals says:

> "We are presented with a question of statutory construction which has apparently never arisen before,

> though the general statutory provision has existed for over a hundred years. Simply stated, the problem is whether or not a copyright holder may assign his expectancy of the renewal right which arises under 17 U. S. C. A., sec. 23, at the expiration of the original twenty-eight year copyright grant. The district court upheld the validity of the assignment. 38 F. Supp. 72. This was in accordance with a strong *dictum* of this court in the case of Tobani v. Carl Fischer, Inc., 2 Cir., 98 F. 2d 57, 60, certiorari denied 305 U. S. 650, 59 S. Ct. 243, 83 L. Ed. 420. We think it interpreted the law correctly."

Thus it appears that the assignments by McCarthy and Goodwin to Leo Feist, Inc., in November, 1939, *even if made before the copyright renewal,* as appellant claims, passed a perfectly valid title to the Feist company and fully justified the latter in licensing the use by appellee of the copyrighted work.

Assuming, but by no means conceding, that an issue of fact was raised as to the validity or actuality of the assignments made by McCarthy and Goodwin on November 25, 1939, appellee still has a complete defense to the suit and there is complete justification for the granting of a summary judgment. This is true because Joe McCarthy and Joe Goodwin had assigned to Leo Feist, Inc., all of their rights in the copyright and copyright renewal affecting the song "That's How I Need You" back in 1936 and concerning the validity of those assignments no issue of fact was or is raised.

On September 18, 1936, Joe McCarthy made a full and unqualified assignment of all of his rights in certain songs, including renewal rights, to Leo Feist, Inc. [Exhibit No. 5, Tr. pp. 34 to 40, incl.] The songs affected by

the assignment are enumerated in Schedule A. [Tr. pp. 40 to 42, incl.] In the preparation of the transcript appellant inadvertently omitted the song title "THAT'S HOW I NEED YOU." This title has been added as line 7 of page 42 of the transcript by an order for correction of the record recently made by this court.

It therefore appears that on September 18, 1936, Joe McCarthy assigned his rights in the song "THAT'S HOW I NEED YOU" to the Feist company. There is no contradiction of this evidence and no issue of fact raised regarding it.

On September 28, 1936, Joe Goodwin made a full assignment of all of his rights in the song "THAT'S HOW I NEED YOU," including copyright renewal rights, to the Feist company. [Tr. pp. 42 to 47, incl.] Goodwin assigned his rights at that time in a number of songs enumerated in Schedule A. [Tr. pp. 48 and 49.] The song "THAT'S HOW I NEED YOU" is listed as the fourth title on page 49 of the transcript.

There is no contradiction of the evidence supplied by this Goodwin assignment and no issue of fact raised as to its validity or actuality.

It follows therefore that even if it be held that the hearsay and otherwise incompetent statements in appellant's affidavit [Tr. pp. 65 to 69, incl.] raise a genuine issue as to the execution of the assignments dated November 25, 1939, there is no issue of fact as to the 1936 assignments. Under the *Witmark* case, *supra*, the latter assignments gave the assignors' copyright rights and renewal rights to Leo Feist, Inc., and entitled the latter to license or consent to the use of the song in question by appellee.

4. If Appellant Renewed the Copyright, Appellee Was Nevertheless Protected by the Subsequent License.

Appellant alleged in his complaint [Tr. p. 3] that he renewed the copyright on June 1, 1939. The renewal application appears on page 82 of the transcript. From this exhibit and from the affidavit of Herman F. Selvin [Tr. p. 81] it appears that the renewal was made on behalf of appellant's co-authors. It therefore inured to the benefit of his co-authors, McCarthy and Goodwin, so that their assignments to Leo Feist, Inc., and the latter's license or permission to appellee furnish a complete defense to this action.

Silverman v. Sunrise Picture Corp. (C. C. A. 2), 273 Fed. 909, 914;

Marks Music Corp. v. Vogel Music Co., 42 F. Supp. 859, 865, 868.

5. The Order Granting a Summary Judgment Was Proper.

Since appellee was duly and legally licensed or permitted by the owner or by a co-owner of the copyright to use the song "THAT'S HOW I NEED YOU," there can be no liability to appellant for such use. On a trial of the action judgment would have gone for appellee, the licensee, perforce. All issues except as to the validity and actuality of the license became and now are immaterial.

Conclusion.

It appears without substantial contradiction that Leo Feist, Inc., acquired the interests of appellant's co-owners in the renewal copyright either by valid antecedent assignments or by assignments executed after the renewal had been accomplished, and that Leo Feist, Inc., licensed or consented to the use of the song in question by appellee. Appellee therefore is fully protected since the prevailing rule in this country, as has been shown, is that one of several co-owners of a copyright may license a third party to use the copyrighted work without subjecting such third party to any liability to non-licensing co-owners.

Respectfully submitted,

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